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Securities code: 4495
September 8, 2022

To Shareholders with Voting Rights:

Tsutomu Sasaki
President and CEO
i³ Systems, Inc.
4-1-37 Tenjin, Chuo-ku, Fukuoka, Japan

NOTICE OF

THE 21ST ANNUAL GENERAL MEETING OF SHAREHOLDERS

We would like to express our appreciation for your continued support and patronage.

Please be informed that the 21st Annual General Meeting of Shareholders of i³ Systems, Inc. (the “Company”) will be held as described below.

To prevent the spread of COVID-19, we would like to request our shareholders to refrain from attending the General Meeting of Shareholders in person on the day of the meeting. In place of in-person attendance, you may exercise your voting rights by electromagnetic means (via the Internet) or in writing. Please review the Reference Documents for the General Meeting of Shareholders below and exercise your voting rights using one of the methods described on Page 4 (Japanese original) by 5:00 p.m. on Tuesday, September 27, 2022, Japan time.

The General Meeting of Shareholders will be live-streamed on the internet for shareholders. Please refer to the “Internet Live-stream” section (Japanese original).

- 1. Date and Time:** Wednesday, September 28, 2022 at 10:00 a.m. Japan time
(Reception opens at 9:30 a.m.)
- 2. Place:** Arena Hall, 1st Floor, ACROS Fukuoka
1-1-1 Tenjin, Chuo-ku, Fukuoka, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. Business Report and Consolidated Financial Statements for the Company’s 21st Fiscal Year (July 1, 2021 – June 30, 2022), as well as the relevant Audit Reports by the Independent Auditor and the Audit & Supervisory Board
 2. Financial Statements for the Company’s 21st Fiscal Year (July 1, 2021 – June 30, 2022)

Proposals to be resolved:

- Proposal 1:** Partial Amendments to the Articles of Incorporation
- Proposal 2:** Election of Three (3) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
- Proposal 3:** Election of Four (4) Directors Who Are Audit & Supervisory Committee Members
- Proposal 4:** Setting Remuneration for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
- Proposal 5:** Setting Remuneration for Directors Who Are Audit & Supervisory Committee Members
- Proposal 6:** Decision on Remuneration in the Form of Restricted Stocks for Directors (Excluding Outside Directors and Directors Who Are Audit & Supervisory Committee Members)

- Reference Documents are provided along with each notice of convocation for the General Meeting of Shareholders. In accordance with applicable legal requirements and Article 15 of our Articles of Incorporation, some of these reference documents, namely, the Consolidated Statement of Changes in Shareholders Equity, the Notes to the Consolidated Financial Statements, the Statement of Changes in Shareholders Equity, and the Notes to the Non-Consolidated Financial Statements, have been made available on the Company's website (<https://www.i3-systems.com/ir/library/shareholdermeeting/>). Therefore, these documents are not included as attachments to this notice.
- Should any amendment be made to the Reference Documents for the General Meeting of Shareholders, Business Report, Financial Statements, and Consolidated Financial Statements, we will post the amended versions on the Company's website (<https://www.i3-systems.com/ir/library/shareholdermeeting/>).

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

- (1) An amendment is needed to change the English version of the Company's name.
New English name: i Cubed Systems, Inc. (Previous English name: i³ Systems, Inc.)
- (2) In order to further enhance corporate governance with an even more robust monitoring system, the Company seeks to adopt a company-with-committees system. This framework includes the creation of an Audit & Supervisory Committee whose members are charged with auditing the execution of duties by the Company's Directors. The members of this committee are also members of the Board of Directors. To enable the adoption of a company-with-committees system, certain changes need to be made, including the establishment of provisions concerning the creation of an Audit & Supervisory Committee and the status of Directors who are Audit & Supervisory Committee Members. Other changes include the establishment of new provisions regarding the delegation of authority to Directors for execution of important business operations, and the deletion of provisions regarding Audit & Supervisory Board Members and the Audit & Supervisory Board.
- (3) The amended provisions stipulated in the proviso of Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) came into effect on September 1, 2022. Accordingly, we propose amending our Articles of Incorporation to enable the adoption of a system for the electronic provision of Reference Documents for the General Meeting of Shareholders. The details are as follows.
 - 1) Article 15, Paragraph 1 of the Proposed Amendments stipulates that the information contained in the Reference Documents for the General Meeting of Shareholders will be provided electronically. The purpose of this proposed amendment is to make it clear that the Company's Articles of Incorporation stipulate measures for the provision of electronic information in accordance with the provisions of the Act on the Arrangement of Relevant Acts with Enforcement of the Act Partially Amending the Companies Act (Act No. 71 of 2019) [Article 10, Paragraph 2], which took effect on September 1, 2022.
 - 2) Article 15, Paragraph 2 of the Proposed Amendments will enable limiting the scope of matters to be stated in the documents issued to shareholders who have requested documents in a paper format.
 - 3) As the current provisions regarding deemed provision of Reference Documents for the General Meeting of Shareholders via the Internet (Article 15 of the current Articles of Incorporation) will no longer be required after the adoption of the Proposed Amendments, the current provisions will be deleted.
 - 4) With the establishment and deletion of provisions as described above, supplementary provisions regarding transitional measures, etc. will also be established.

2. Details of amendments

The details of the amendments are as follows.

Amendment of the Articles of Incorporation according to this proposal will take effect at the conclusion of the General Meeting. The amendments to the Articles of Incorporation needed for the adoption of a system for the electronic provision of Reference Documents for the General Meeting of Shareholders (as described in 1.(3) on the previous page) will take effect as stipulated in the supplementary provisions when they become effective.

(Amendments are underlined.)

| Current | Proposed Amendments |
|---|--|
| <p style="text-align: center;">Chapter I General Provisions</p> <p>(Company Name) Article 1. The name of the Company shall be Kabushikigaisha Aikyūbudo Shisutemuzu, and the English name is <u>i³ Systems, Inc.</u></p> <p>(Organizational Bodies) Article 4. In addition to the General Meeting of Shareholders and Directors, the Company shall have the following bodies.</p> <ol style="list-style-type: none"> 1. Board of Directors 2. <u>Audit & Supervisory Board Members</u> 3. <u>Audit & Supervisory Board</u> 4. <u>Independent Auditor</u> <p style="text-align: center;">Chapter II. Shares</p> <p>(Shareholders List Administrator) Article 10.</p> <ol style="list-style-type: none"> 1. The Company shall appoint a Shareholders List Administrator. 2. The Shareholders List Administrator and the individual's place of business shall be determined by a resolution of the Board of Directors. 3. [Omitted] <p>(Share Handling Rules) Article 11. The handling services and fees related to the Company's shares shall be governed by relevant laws and ordinances, the Articles of Incorporation, and the Share Handling Rules established by the Board of Directors.</p> | <p style="text-align: center;">Chapter I General Provisions</p> <p>(Company Name) Article 1. The name of the Company shall be Kabushikigaisha Aikyūbudo Shisutemuzu, and the English name is <u>i_{Cubed} Systems, Inc.</u></p> <p>(Organizational Bodies) Article 4. In addition to the General Meeting of Shareholders and Directors, the Company shall have the following bodies.</p> <ol style="list-style-type: none"> 1. Board of Directors 2. <u>Audit & Supervisory Committee</u> [Deleted] 3. <u>Independent Auditor</u> <p style="text-align: center;">Chapter II. Shares</p> <p>(Shareholders List Administrator) Article 10.</p> <ol style="list-style-type: none"> 1. The Company shall appoint a Shareholders List Administrator. 2. The Shareholders List Administrator and the individual's place of business shall be determined by a resolution of the Board of Directors, <u>or by a Director delegated by a resolution of the Board of Directors.</u> 3. [Unchanged] <p>(Share Handling Rules) Article 11. The handling services and fees related to the Company's shares shall be governed by relevant laws and ordinances, the Articles of Incorporation, and the Share Handling Rules established by the Board of Directors <u>or a director delegated by a resolution of the Board of Directors.</u></p> |

| Current | Proposed Amendments |
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| <p><u>(Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc. via the Internet)</u></p> <p><u>Article 15. When convening a General Meeting of Shareholders, the Company may deem the disclosure of information on matters that should be specified or displayed in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-Consolidated Financial Statements and the Consolidated Financial Statements to have been provided to shareholders when they are disclosed by electronic means using the Internet pursuant to Ministry of Justice ordinances.</u></p> <p>[Newly created]</p> <p>Chapter IV. Directors and the Board of Directors</p> <p>(Number of Directors)</p> <p>Article 19. The number of Directors of the Company shall be <u>ten (10)</u> or less.</p> <p>[Newly created]</p> <p>(Method of Director Appointment)</p> <p>Article 20. Director appointments shall be approved by the General Meeting of Shareholders.</p> <p>2.-3. [Omitted] [Newly created]</p> | <p>[Deleted]</p> <p><u>(Measures for Electronic Information Provision, etc.)</u></p> <p><u>Article 15.</u></p> <p><u>1. When convening a General Meeting of Shareholders, the Company shall take measures to electronically provide the information that constitutes the content of Reference Documents for the General Meeting of Shareholders.</u></p> <p><u>2. The Company may omit all or part of the information specified in Ministry of Justice ordinances and provided electronically from documents to be distributed to shareholders who have requested documents in a paper format before the record date of voting rights.</u></p> <p>Chapter IV. Directors and the Board of Directors</p> <p>(Number of Directors)</p> <p>Article 19.</p> <p><u>1. The number of Directors of the Company (excluding those who are Audit & Supervisory Committee Members) shall be six (6) or less.</u></p> <p><u>2. The number of Directors who are members of the Company's Audit & Supervisory Committee shall be six (6) or less.</u></p> <p>(Method of Director Appointment)</p> <p>Article 20. Director appointments shall be approved by the General Meeting of Shareholders, <u>as either members or non-members of the Company's Audit & Supervisory Committee.</u></p> <p>2.-3. [Unchanged]</p> <p><u>4. The appointment of a Director who is a substitute Audit & Supervisory Committee Member shall remain effective up until the start of the Annual General Meeting of Shareholders relating to the last fiscal year ending within two (2) years from the individual's appointment.</u></p> |

| Current | Proposed Amendments |
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| <p>(Director's Term) Article 21.</p> <p>1. A Director's term of office shall expire at the conclusion of the Annual General Meeting of Shareholders relating to the last fiscal year ending withing one (1) year from the individual's appointment.</p> <p>2. <u>The term of office for a Director appointed to fill a vacancy or to increase the number of Directors shall expire at the same time as that of the other members of the Board of Directors.</u></p> <p>[Newly created]</p> | <p>(Director's Term) Article 21.</p> <p>1. The term of office for a Director <u>who is not an Audit & Supervisory Committee Member</u> shall expire at the conclusion of the Annual General Meeting of Shareholders relating to the last fiscal year ending within one (1) year from the individual's appointment.</p> <p>2. <u>The term of office for a Director who is an Audit & Supervisory Committee Member shall expire at the conclusion of the General Meeting of Shareholders relating to the last fiscal year ending within two (2) years from the individual's appointment.</u></p> <p>3. <u>The term of office for a Director who is an Audit & Supervisory Committee Member appointed as a substitute for a Director who is an Audit & Supervisory Committee Member and retired before the expiration of their term shall be the remaining term of the retired individual concerned.</u></p> |
| <p>(Representative Director) Article 22. The Board of Directors shall select its Representative Director by resolution.</p> | <p>(Representative Director) Article 22. The Board of Directors shall select by resolution a Representative Director <u>from among the Directors (excluding Directors who are Audit & Supervisory Committee Members).</u></p> |
| <p>(Notice of Board of Directors Meeting Convocation) Article 24.</p> <p>1. A notice of meeting convocation for the Board of Directors shall be sent to each Director <u>and each Audit & Supervisory Board Member</u> at least three (3) days prior to the date of the meeting. However, this period may be shortened in case of emergency.</p> <p>2. The Board of Directors may meet without going through the meeting convocation procedures if all Directors <u>and Audit & Supervisory Board Members</u> agree.</p> | <p>(Notice of Board of Directors Meeting Convocation) Article 24.</p> <p>1. A notice of meeting convocation for the Board of Directors shall be sent to each Director at least three (3) days prior to the date of the meeting. However, this period may be shortened in case of emergency.</p> <p>2. The Board of Directors may meet without going through the meeting convocation procedures if all Directors agree.</p> |
| <p>[Newly created]</p> | <p>(Delegation of Important Business Execution Decisions) <u>Article 25. In accordance with the provisions of Article 399-13, Paragraph 6 of the Companies Act, based on a resolution of the Board of Directors, the Company may delegate to the Directors all or part of the decisions regarding important matters relating to the execution of the Company's business (excluding the matters listed in each item of Article 399-13, Paragraph 5).</u></p> |

| Current | Proposed Amendments |
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| <p>Article <u>25</u> [Omitted]</p> <p>(Board of Directors Meeting Minutes)</p> <p>Article <u>26</u>. The proceedings and results of each meeting of the Board of Directors, as well as other matters stipulated by laws and ordinances, shall be entered or recorded in the official minutes. These minutes shall then be signed by all Directors <u>and Audit & Supervisory Board Members</u> in attendance by adding their names and seals or by using electronic signatures.</p> <p>Article <u>27</u> [Omitted]</p> <p>(Remuneration, etc.)</p> <p>Article <u>28</u>. Remuneration, bonuses, and other asset benefits paid to Directors as compensation for the execution of their duties shall be determined by a resolution of the General Meeting of Shareholders.</p> <p>(Responsibilities of <u>Outside</u> Directors)</p> <p>Article <u>29</u>. Pursuant to Article 427 of the Companies Act, the Company may enter into agreements with <u>Outside</u> Directors to limit liability for any damages resulting from actions stipulated in Article 423 of the same Act. However, the maximum liability for damages under such agreements shall be five (5) million yen per year, or the amount stipulated by laws and ordinances, whichever is higher.</p> | <p>AArticle <u>26</u> [Unchanged]</p> <p>(Board of Directors Meeting Minutes)</p> <p>Article <u>27</u>. The proceedings and results of each meeting of the Board of Directors, as well as other matters stipulated by laws and ordinances, shall be entered or recorded in the official minutes. These minutes shall then be signed by all Directors in attendance by adding their names and seals or by using electronic signatures.</p> <p>Article <u>28</u> [Unchanged]</p> <p>(Remuneration, etc.)</p> <p>Article <u>29</u>. Remuneration, bonuses, and other asset benefits paid to Directors as compensation for the execution of their duties shall be determined by a resolution of the General Meeting of Shareholders, <u>and shall be based on a distinction between Directors who are Audit & Supervisory Committee Members and those who are not.</u></p> <p>(Responsibilities of Directors)</p> <p>Article <u>30</u>. Pursuant to Article 427 of the Companies Act, the Company may enter into agreements with Directors <u>(who are not also executive officers of the Company)</u> to limit liability for any damages resulting from actions stipulated in Article 423 of the same Act. However, the maximum liability for damages under such agreements shall be five (5) million yen per year, or the amount stipulated by laws and ordinances, whichever is higher.</p> |

| Current | Proposed Amendments |
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| <p><u>Chapter V. Audit & Supervisory Board Members and the Audit & Supervisory Board</u></p> | <p>[Deleted]</p> |
| <p><u>(Number of Audit & Supervisory Board Members)</u></p> | <p>[Deleted]</p> |
| <p><u>Article 30. The number of Audit & Supervisory Board Members shall be four (4) or less.</u></p> | <p>[Deleted]</p> |
| <p><u>(Substitute Audit & Supervisory Board Members)</u></p> | <p>[Deleted]</p> |
| <p><u>Article 31.</u></p> | <p>[Deleted]</p> |
| <p><u>1. Substitute Audit & Supervisory Board Members may be appointed by the General Meeting of Shareholders in case the number of Audit & Supervisory Board Members falls short of the number stipulated by law or the Articles of Incorporation.</u></p> <p><u>2. The provisions of Article 32-2 shall apply mutatis mutandis to the resolution quorum needed to appoint substitute Audit & Supervisory Board Members.</u></p> <p><u>3. When a substitute Audit & Supervisory Board Member is appointed pursuant to Article 31-1 assumes office, the individual's term of office shall be the remaining term of the predecessor concerned.</u></p> <p><u>4. The term of a substitute Audit & Supervisory Board Member shall be effective until the next Annual General Meeting of Shareholders held after the individual's appointment.</u></p> | <p>[Deleted]</p> |
| <p><u>(Method of Audit & Supervisory Board Member Appointment)</u></p> | <p>[Deleted]</p> |
| <p><u>Article 32.</u></p> | <p>[Deleted]</p> |
| <p><u>1. Audit & Supervisory Board Member appointments shall be appointed at the General Meeting of Shareholders.</u></p> <p><u>2. Any resolutions for the appointment of Audit & Supervisory Board Members require approval at a General Meeting with the attendance of shareholders eligible to vote who have at least one-third (1/3) of the total voting rights of the Company, based on a majority vote in favor by those same shareholders.</u></p> | <p>[Deleted]</p> |
| <p><u>(Audit & Supervisory Board Member Term)</u></p> | <p>[Deleted]</p> |
| <p><u>Article 33.</u></p> | <p>[Deleted]</p> |
| <p><u>1. An Audit & Supervisory Board Member's term of office shall expire at the conclusion of the Annual General Meeting of Shareholders relating to the last fiscal year ending within four (4) years from the individual's appointment.</u></p> <p><u>2. The term of office of an Audit & Supervisory Board Member appointed as a substitute shall be until the expiration of the term of the predecessor concerned.</u></p> | <p>[Deleted]</p> |
| <p><u>(Full-Time Audit & Supervisory Board Members)</u></p> | <p>[Deleted]</p> |
| <p><u>Article 34. Full-time Audit & Supervisory Board Members shall</u></p> | <p>[Deleted]</p> |
| <p><u>be appointed based on a resolution of the Audit & Supervisory Board.</u></p> | <p>[Deleted]</p> |

| Current | Proposed Amendments |
|--|---------------------|
| <p><u>(Notice of Audit & Supervisory Board Meeting Convocation)</u> <u>Article 35.</u> 1. <u>A notice of meeting convocation for the Audit & Supervisory Board shall be sent to each Audit & Supervisory Board Member at least three (3) days prior to the date of the meeting. However, this period may be shortened in case of emergency.</u> 2. <u>The Audit & Supervisory Board may meet without going through the meeting convocation procedures if all Audit & Supervisory Board Members agree.</u></p> | <p>[Deleted]</p> |
| <p><u>(Resolution Making Method for the Audit & Supervisory Board)</u> <u>Article 36. Resolutions of the Audit & Supervisory Board shall be approved by a majority vote of the Audit & Supervisory Board Members, unless otherwise provided for by law.</u></p> | <p>[Deleted]</p> |
| <p><u>(Audit & Supervisory Board Meeting Minutes)</u> <u>Article 37. The proceedings and results of each meeting of the Audit & Supervisory Board, as well as other matters stipulated by laws and ordinances, shall be entered or recorded in the official minutes. These minutes shall then be signed by all Audit & Supervisory Board Members in attendance by adding their names and seals or by using electronic signatures.</u></p> | <p>[Deleted]</p> |
| <p><u>(Audit & Supervisory Board Rules)</u> <u>Article 38. Matters relating to the Audit & Supervisory Board shall be governed by relevant laws and ordinances, the Articles of Incorporation, and the Audit & Supervisory Board Rules established by the Audit & Supervisory Board.</u></p> | <p>[Deleted]</p> |
| <p><u>(Remuneration, etc.)</u> <u>Article 39. Remuneration, bonuses, and other asset benefits paid to Audit & Supervisory Board Members as compensation for the execution of their duties shall be determined by a resolution of the General Meeting of Shareholders.</u></p> | <p>[Deleted]</p> |
| <p><u>(Responsibilities of Outside Audit & Supervisory Board Members)</u> <u>Article 40. In accordance with Article 427 of the Companies Act, the Company shall limit the liability of Outside Audit & Supervisory Board Members for any damages resulting from actions stipulated in Article 423 of the same Act to five (5) million yen per year, or the amount stipulated by laws and ordinances, whichever is higher.</u></p> | <p>[Deleted]</p> |

| Current | Proposed Amendments |
|-----------------|---|
| [Newly created] | <u>Chapter V. Audit & Supervisory Committee</u> |
| [Newly created] | <u>(Full-Time Audit & Supervisory Committee Members)</u> <u>Article 31. Audit & Supervisory Committee Members may be appointed based on a resolution of the Audit & Supervisory Committee.</u> |
| [Newly created] | <u>(Notice of Audit & Supervisory Committee Meeting Convocation)</u> <u>Article 32.</u> <u>1. A notice of meeting convocation for the Audit & Supervisory Committee shall be sent to each Audit & Supervisory Committee Member at least three (3) days prior to the date of the meeting. However, this period may be shortened in case of emergency.</u> <u>2. The Audit & Supervisory Committee may meet without going through the meeting convocation procedures if all Audit & Supervisory Committee Members agree.</u> |
| [Newly created] | <u>(Resolution Making Method for the Audit & Supervisory Committee)</u> <u>Article 33. Resolutions of the Audit & Supervisory Committee shall be made by a majority of the Members present provided that a majority of the Members entitled to participate in the vote are present.</u> |
| [Newly created] | <u>(Audit & Supervisory Committee Meeting Minutes)</u> <u>Article 34. The proceedings and results of each meeting of the Audit & Supervisory Committee, as well as other matters stipulated by laws and ordinances, shall be entered or recorded in the official minutes. These minutes shall then be signed by all Audit & Supervisory Committee Members in attendance by adding their names and seals or by using electronic signatures.</u> |
| [Newly created] | <u>Audit & Supervisory Committee Rules</u> <u>Article 35. Matters relating to the Audit & Supervisory Committee shall be governed by relevant laws and ordinances, the Articles of Incorporation, and the Audit & Supervisory Committee Rules established by the Audit & Supervisory Committee.</u> |

| Current | Proposed Amendments |
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| <p style="text-align: center;">Chapter VI. Independent Auditor</p> | <p style="text-align: center;">Chapter VI. Independent Auditor</p> |
| <p>Article <u>41</u>–Article <u>42</u> [Omitted]</p> | <p>Article <u>36</u>–Article <u>37</u> [Unchanged]</p> |
| <p style="text-align: center;">Chapter VII. Accounting</p> | <p style="text-align: center;">Chapter VII. Accounting</p> |
| <p>Article <u>43</u> [Omitted]</p> | <p>Article <u>38</u> [Unchanged]</p> |
| <p>(Dividends of Surplus)</p> | <p>(Dividends of Surplus)</p> |
| <p>Article <u>44</u>.</p> | <p>Article <u>39</u>.</p> |
| <p>1. The Company <u>shall</u> decide the matters set forth in each item of Article 459-1 of the Companies Act, including dividends of surplus, by resolution of the Board of Directors, <u>without a resolution of the General Meeting of Shareholders</u>, unless otherwise stipulated by laws or regulations.</p> | <p>1. The Company <u>may</u> decide the matters set forth in each item of Article 459, Paragraph 1 of the Companies Act, including dividends of surplus, by resolution of the Board of Directors, unless otherwise stipulated by laws or regulations.</p> |
| <p>2.–3. [Omitted]</p> | <p>2.–3. [Unchanged]</p> |
| <p>Article <u>45</u> [Omitted]</p> | <p>Article <u>40</u> [Unchanged]</p> |
| <p>[Newly created]</p> | <p><u>Supplementary Provisions (Articles of Incorporation amendment on September 28, 2022)</u></p> |
| <p>[Newly created]</p> | <p><u>(Transitional Measures Concerning Liability Limitation for Outside Audit & Supervisory Board Members)</u></p> |
| | <p><u>Article 1. Any contracts limiting the liability of Outside Audit & Supervisory Board Members (including former Outside Audit & Supervisory Board Members) for damages due to negligence of duties signed before the partial amendment of the Articles of Incorporation took effect based on a resolution of the 21st Annual General Meeting of Shareholders shall remain as stipulated in Article 40 of the Articles of Incorporation before the same resolution of the Annual General Meeting of Shareholders.</u></p> |
| <p>[Newly created]</p> | <p><u>(Transitional Measures Concerning Electronic Information Provision, etc.)</u></p> |
| | <p><u>Article 2.</u></p> |
| | <p><u>1. Deemed Provision of Reference Documents for the General Meeting of Shareholders via the Internet (Article 15 of the Articles of Incorporation before amendment by resolution of the 21st General Meeting of Shareholders) shall remain effective for any General Meeting of Shareholders held within six (6) months after September 1, 2022. This is the date on which the amended provisions stipulated in the proviso of Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are due to come into effect.</u></p> |
| | <p><u>2. The Supplementary Provisions shall be deleted on March 1, 2023, or three (3) months after the General Meeting of Shareholders of the preceding paragraph, whichever is later.</u></p> |

Proposal 2: Election of Three (3) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

If Proposal 1 (Partial Amendments to the Articles of Incorporation) is approved as originally proposed, the Company will have adopted a company-with-committees system. The terms of office for all ten (10) Directors will expire once the amendments to the Articles of Incorporation take effect.

Therefore, the Company proposes appointment of three (3) Directors (excluding Directors who are Audit & Supervisory Committee Members; hereinafter, “Directors” in this proposal) once the Company has adopted a company-with-committees system. This proposal will be effective on the condition that the amendments to the Articles of Incorporation in Proposal 1 (Partial Amendments to the Articles of Incorporation) take effect.

The candidates for Director are as follows.

| No. | Name (Date of birth) | Career summary, positions, responsibilities, and significant concurrent positions | Number of shares of the Company held |
|---|---|---|--|
| 1 | Tsutomu Sasaki (August 4, 1973) [Reappointment] | <p>April 1996 Joined System Life Co., Ltd.</p> <p>January 2001 Founded i³ Systems as a sole proprietor</p> <p>September 2001 Established i³ Systems, Limited (currently the Company); Representative</p> <p>September 2003 President and CEO, the Company</p> <p>August 2020 President and CEO (in charge of Internal Audit Office), the Company</p> <p>September 2021 President and CEO (overseeing all divisions), the Company (current position)</p> <p>November 2021 Director, i³ Ventures, Inc. (current position) (To the present)</p> | 2,715,330 |
| <p>[Reason for nomination as candidate for Director]</p> <p>As the founder of the Company, Mr. Tsutomu Sasaki has a wealth of knowledge and experience in corporate management and business strategy. He has directed the Company’s management as President since its foundation and has a track record in achieving the sustained growth of the Company.</p> <p>In the belief that the candidate’s management achievements in building up the Company, his extensive knowledge about the business, and the leadership he has displayed in the sustained improvement of corporate value are necessary for the Company’s growth, the Company proposes his re-election as Director.</p> | | | |

| No. | Name (Date of birth) | Career summary, positions, responsibilities, and significant concurrent positions | Number of shares of the Company held |
|---|--|--|--|
| 2 | Masakazu Arimori (November 17, 1956) [Reappointment] | <p>April 1979 Joined The Nikko Securities Co., Ltd. (currently SMBC Nikko Securities Inc.)</p> <p>November 1980 Joined Japan Associated Finance Co., Ltd. (currently JAFCO Group Co., Ltd.)</p> <p>June 2002 Director (in charge of Finance), Zero Corporation (currently Skymark Airlines Inc.)</p> <p>November 2004 Executive Officer and General Manager, Accounting Division, Skymark Airlines Inc.</p> <p>June 2005 Director, Skymark Airlines Inc.</p> <p>September 2010 Managing Director, Skymark Airlines Inc.</p> <p>January 2015 Representative Director and President, Skymark Airlines Inc.</p> <p>December 2015 Vice President, Executive Officer, and CFO, AirAsia Japan Co., Ltd.</p> <p>March 2018 Special Advisor, AirAsia Japan Co., Ltd.</p> <p>April 2018 Joined the Company; Director and CFO (in charge of Administration Division and Corporate Planning Office)</p> <p>April 2021 Director and CFO (in charge of Administration Division, Corporate Planning Office, and Corporate Communications Office), the Company</p> <p>April 2021 Representative Director, General Incorporated Foundation i³ Foundation (current position)</p> <p>September 2021 Director and CIO, i³ Systems, Inc. (in charge of the Business Investment Department) (current position)</p> <p>November 2021 Director, i³ Ventures, Inc. (current position)</p> <p>March 2022 Outside Director, Leifras Co., Ltd. (current position)</p> <p>(To the present)</p> | 23,200 |
| <p>[Reason for nomination as candidate for Director]</p> <p>Mr. Masakazu Arimori has a wealth of experience and insight as a corporate executive. Since his appointment as Director and CFO, he has played a significant role as the person with overall responsibility for corporate governance and the Administration Departments, contributing to the growth of the Company.</p> <p>In the belief that he will be able to leverage his extensive experience and achievements to fully perform his role as a Director of the Company, the Company proposes his re-election as Director.</p> | | | |

| No. | Name (Date of birth) | Career summary, positions, responsibilities, and significant concurrent positions | Number of shares of the Company held |
|---|--|---|--|
| 3 | Ryohei Satomi (January 16, 1988) [Reappointment] | <p>February 2010 Joined KPMG AZSA LLC</p> <p>January 2015 Joined Ernst & Young Singapore</p> <p>July 2016 Joined AirAsia Japan Co., Ltd.</p> <p>March 2018 Executive Officer & CFO, AirAsia Japan Co., Ltd.</p> <p>April 2020 Director & CFO, AirAsia Japan Co., Ltd.</p> <p>April 2021 Joined the Company; Executive Officer and General Manager, Administration Division</p> <p>September 2021 Director and CFO (in charge of the Administration Departments), the Company (current position)</p> <p>November 2021 Audit & Supervisory Board Member, i³ Ventures, Inc. (current position)</p> <p>(To the present)</p> | — |
| <p>[Reason for nomination as candidate for Director]</p> <p>Mr. Ryohei Satomi has expert knowledge as a certified public accountant and a wealth of experience and insight in the areas of business strategy and governance, including experience in corporate planning and as a CFO at a business corporation and in overseas operations.</p> <p>In the belief that he can be expected to leverage his extensive experience and achievements to contribute, as a Director of the Company, to the expansion of the Company's business and the strengthening of its management administration structure, the Company proposes his re-election as Director.</p> | | | |

- Notes:
1. There are no special interests between each of the candidates for Director and the Company.
 2. Director candidate, Mr. Tsutomu Sasaki, is the person controlling the Company's management.
 3. "Number of shares of the Company held" indicates the number of shares held as of June 30, 2022.
 4. The Company has entered into a directors and officers liability insurance contract with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The summary of the insurance contract is as described on Page 50 of the Business Report. Each of the candidates will be the insured under the insurance contract. The Company plans to renew this insurance contract with the same terms and conditions at the time of next renewal.

Proposal 3: Election of Four (4) Directors Who Are Audit & Supervisory Committee Members

If Proposal 1 (Partial Amendments to the Articles of Incorporation) is approved as originally proposed, the Company will have adopted a company-with-committees system.

Accordingly, the Company proposes the appointment of four (4) Directors who are Audit & Supervisory Committee Members.

The Company has obtained the approval of the Audit & Supervisory Board for this proposal.

This proposal will be effective on the condition that the amendments to the Articles of Incorporation in Proposal 1 (Partial Amendments to the Articles of Incorporation) take effect.

The candidates for Director are as follows.

| No. | Name (Date of birth) | Career summary, positions and significant concurrent positions | Number of shares of the Company held |
|--|---|---|--|
| 1 | Yoshikazu Koda (June 12, 1949) [New appointment] [Outside] [Independent] | <p>January 1986 Joined NEC Corporation</p> <p>April 2001 General Manager, No. 1 Manufacturing Industry Solutions Division, NEC Corporation</p> <p>April 2006 General Manager, Manufacturing & Equipment Solutions Division, NEC Corporation</p> <p>June 2008 President, NEC Software Kyushu, Ltd. (currently NEC Solution Innovators, Ltd.)</p> <p>June 2012 Representative Director and President, BCC Co., Ltd.</p> <p>June 2019 Advisor, BCC Co., Ltd.</p> <p>September 2021 Outside Audit & Supervisory Board Member, i³ Systems, Inc. (current position) (To the present)</p> | — |
| <p>[Reason for nomination as a candidate for Outside Director who is an Audit & Supervisory Committee Member, and outline of expected role]</p> <p>Mr. Yoshikazu Koda has a high degree of knowledge and experience in overall management as an executive at IT companies over many years. The Company expects that he will leverage his track record to supervise Directors' execution of duties and provide recommendations and advice.</p> <p>The Company proposes his election as a new Outside Director who is an Audit & Supervisory Committee Member in the belief that he will play a role in ensuring the validity and appropriateness of the Company's management and conduct highly effective audits.</p> | | | |

| No. | Name (Date of birth) | Career summary, positions, responsibilities, and significant concurrent positions | Number of shares of the Company held |
|---|--|---|--|
| 2 | <p data-bbox="215 521 424 577">Yuko Uchida (October 29, 1968)</p> <p data-bbox="188 611 448 674">[New appointment] [Outside] [Independent]</p> | <p data-bbox="464 297 1046 324">April 1991 Joined Daiwa Securities Co. Ltd.</p> <p data-bbox="464 342 1190 369">January 2000 Director, HARVEYROAD JAPAN, LIMITED</p> <p data-bbox="464 387 1249 450">May 2016 Outside Director, Kanazawa Kiko Co., Ltd. (current position)</p> <p data-bbox="464 468 1249 530">September 2017 Outside Director, KUDO CORPORATION (current position)</p> <p data-bbox="464 548 1129 575">September 2019 Director, the Company (current position)</p> <p data-bbox="464 593 1195 656">October 2020 Outside Director, Matsumoto Shouten Co. Ltd. (current position)</p> <p data-bbox="464 674 1190 759">January 2021 Established Swing-by creation, Inc.; Representative Director and President (current position)</p> <p data-bbox="464 777 1219 884">April 2021 Outside Director, Ryochi Keiei Co., Ltd. (current position) (To the present)</p> | — |
| <p data-bbox="188 909 1471 972">[Reason for nomination as a candidate for Outside Director who is an Audit & Supervisory Committee Member, and outline of expected role]</p> <p data-bbox="188 990 1471 1106">With detailed knowledge gained from a wide variety of corporate interviews as a journalist, Ms. Yuko Uchida also has considerable insight into diversity-conscious business management. The Company expects that she will leverage her extensive experience and independence to supervise the Company's management from her position as Outside Director and provide advice about the Company's overall management.</p> <p data-bbox="188 1124 1382 1187">The Company proposes her election as a new Outside Director who is an Audit & Supervisory Committee Member so she may contribute to the Company's growth and the strengthening of its corporate governance.</p> | | | |

| No. | Name (Date of birth) | Career summary, positions, responsibilities, and significant concurrent positions | Number of shares of the Company held |
|-----|--|--|--|
| 3 | <p data-bbox="204 987 437 1048">Yoji Furumiya (November 26, 1962)</p> <p data-bbox="193 1081 448 1142">[New appointment] [Outside] [Independent]</p> | <p data-bbox="469 297 1070 327">April 1985 Joined Japanese National Railways</p> <p data-bbox="469 344 1059 374">April 1987 Joined Kyushu Railway Company</p> <p data-bbox="469 392 1262 452">May 2005 General Manager, Planning Department, Railway Operations Headquarters, Kyushu Railway Company</p> <p data-bbox="469 470 1251 553">May 2006 General Manager, Transportation Department, Railway Operations Headquarters, Kyushu Railway Company</p> <p data-bbox="469 571 1251 654">June 2010 General Manager, Marketing & Sales Department, Railway Operations Headquarters, Kyushu Railway Company</p> <p data-bbox="469 672 1262 754">June 2011 General Manager, Customer Service Department and Marketing & Sales Department, Railway Operations Headquarters, Kyushu Railway Company</p> <p data-bbox="469 772 1193 833">June 2012 General Manager, Administration Department, Kyushu Railway Company</p> <p data-bbox="469 851 1193 911">June 2012 Director and General Manager, Administration Department, Kyushu Railway Company</p> <p data-bbox="469 929 1262 1048">September 2012 Director, General Manager, Administration Department, and General Manager, Cruise Train Division, Railway Operations Headquarters, Kyushu Railway Company</p> <p data-bbox="469 1066 1193 1126">June 2013 Director and General Manager, Administration Department, Kyushu Railway Company</p> <p data-bbox="469 1144 1219 1263">June 2016 Managing Director, Director General, Railway Operations Headquarters, and General Manager, Northern Kyushu Regional Head Office, Kyushu Railway Company</p> <p data-bbox="469 1281 1246 1400">June 2018 Director, Managing Corporate Officer, Director General, Railway Operations Headquarters, and General Manager, Northern Kyushu Regional Head Office, Kyushu Railway Company</p> <p data-bbox="469 1417 1257 1536">June 2019 Director, Senior Managing Corporate Officer, Director General, Railway Operations Headquarters, and General Manager, Northern Kyushu Regional Head Office, Kyushu Railway Company</p> <p data-bbox="469 1554 1251 1637">June 2020 Director, Senior Managing Corporate Officer, and Director General, Corporate Planning Headquarters, Kyushu Railway Company</p> <p data-bbox="469 1655 1219 1751">April 2022 Representative Director, President and Corporate Officer and Chief Executive Officer, Kyushu Railway Company (current position)</p> <p data-bbox="692 1769 863 1798">(To the present)</p> | — |

[Reason for nomination as a candidate for Outside Director who is an Audit & Supervisory Committee Member, and outline of expected role]

Mr. Yoji Furumiya has a wealth of experience and insight as a corporate executive, and the Company expects that he will leverage his experience and independence to supervise the Company's overall management from his position as Outside Director and provide advice about the Company's overall management.

The Company proposes his election as a new Outside Director who is an Audit & Supervisory Committee Member so he may contribute to the Company's growth and the strengthening of its corporate governance.

| No. | Name (Date of birth) | Career summary, positions, responsibilities, and significant concurrent positions | Number of shares of the Company held |
|---|---|--|--|
| 4 | Yasuko Maita (July 26, 1973) [New appointment] [Outside] [Independent] | <p>October 2002 Joined Tokiwa Sogo Law Offices (currently Nishimura & Asahi) (Tokyo office)</p> <p>July 2010 Seconded to PricewaterhouseCoopers Co., Ltd. (currently PwC Advisory LLC)</p> <p>July 2012 Nishimura & Asahi (Tokyo office)</p> <p>July 2013 Partner, Nishimura & Asahi (Fukuoka office)</p> <p>April 2018 Specially Appointed Professor, Graduate School of Business Administration, University of Kitakyushu (current position)</p> <p>April 2020 Part-Time Lecturer, Kyushu University Law School (current position)</p> <p>June 2022 Established Maita Law Office</p> <p>June 2022 Audit & Supervisory Board Member, Kumamoto Electric Railway Co., Ltd. (current position)</p> <p>(To the present)</p> | — |
| <p>[Reason for nomination as a candidate for Outside Director who is an Audit & Supervisory Committee Member, and outline of expected role]</p> <p>Along with her professional legal perspective as a lawyer, Ms. Yasuko Maita has a wealth of experience and insight concerning areas such as M&A, organizational restructuring, and business revitalization. The Company expects that she will leverage her extensive experience and independence to supervise the Company's management from her position as Outside Director and provide advice about the Company's overall management.</p> <p>The Company proposes her election as a new Outside Director who is an Audit & Supervisory Committee Member so she may contribute to the Company's growth and the strengthening of its corporate governance.</p> | | | |

- Notes:
1. There are no special interests between each of the candidates for Director and the Company.
 2. Mr. Yoshikazu Koda, Ms. Yuko Uchida, Mr. Yoji Furumiya and Ms. Yasuko Maita are candidates for Outside Director.
 3. Ms. Yuko Uchida will have served as Outside Director for three (3) years at the conclusion of this General Meeting of Shareholders. Mr. Yoshikazu Koda has been elected as a full-time Outside Audit & Supervisory Board Member of the Company. His one-year term began in September 2021 and will expire at the conclusion of this General Meeting of Shareholders.
 4. Mr. Yoshikazu Koda and Ms. Yuko Uchida have been registered as Independent Officers pursuant to the regulations of Tokyo Stock Exchange, Inc. If Mr. Yoshikazu Koda, Ms. Yuko Uchida, Mr. Yoji Furumiya and Ms. Yasuko Maita are elected and assume office, the Company intends to register them as Independent Officers.
 5. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Mr. Yoshikazu Koda and Ms. Yuko Uchida to limit their liability for damages under Article 423, Paragraph 1 of the Act. If Mr. Yoshikazu Koda and Ms. Yuko Uchida are re-elected and assume office, the Company intends to enter into these agreements. In addition, if Mr. Yoji Furumiya and Ms. Yasuko Maita are elected and assumes office, the Company intends to enter into these agreements with them. The liability for damages under these agreements shall be limited to either ¥5 million per year or the amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is higher.
 6. "Number of shares of the Company held" indicates the number of shares held as of June 30, 2022.

7. The Company has entered into a directors and officers liability insurance contract with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The summary of the insurance contract is as described on Page 50 of the Business Report. Each of the candidates will be the insured under the insurance contract. The Company plans to renew this insurance contract with the same terms and conditions at the time of next renewal.

Proposal 4: Setting Remuneration for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

At the 20th Annual General Meeting of Shareholders held on September 29, 2021, it was decided that Director remuneration should be no more than ¥300 million per year (or ¥100 million for Outside Directors). If Proposal 1 (Partial Amendments to the Articles of Incorporation) is approved as originally proposed, the Company will have adopted a company-with-committees system.

Accordingly, the Company proposes that once the Company has adopted a company-with-committees system, remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) shall be no more than ¥300 million per year, and that the current Director remuneration provisions be abolished.

In addition, the compensation for Directors (excluding Directors who are Audit & Supervisory Committee Members) shall not include the employee salary portion for Directors concurrently serving as employees.

The content of this proposal is believed to be appropriate, based on various business circumstances such as the economic situation, the size of the Company, the number of Directors and their duties.

In addition, there are currently ten (10) Directors (including three (3) Outside Directors). If Proposal 1 (Partial Amendments to the Articles of Incorporation) and Proposal 2 (Election of Three (3) Directors Who Are Audit & Supervisory Committee Members) are approved as originally proposed, there will be three (3) Directors (Directors who are Audit & Supervisory Committee Members).

This proposal will be effective on the condition that the amendments to the Articles of Incorporation in Proposal 1 (Partial Amendments to the Articles of Incorporation) take effect.

Proposal 5: Setting Remuneration for Directors Who Are Audit & Supervisory Committee Members

If Proposal 1 (Partial Amendments to the Articles of Incorporation) is approved as originally proposed, the Company will have adopted a company-with-committees system.

Accordingly, the Company proposes that once the Company has adopted a company-with-committees system, remuneration for Directors who are Audit & Supervisory Committee Members shall be no more than ¥100 million per year. It has been determined that the remuneration related to this proposal is appropriate considering the duties of a Director who is an Audit & Supervisory Committee Member.

If Proposal 1 (Partial Amendments to the Articles of Incorporation) and Proposal 3 (Election of Four (4) Directors Who Are Audit & Supervisory Committee Members) are approved as originally proposed, there will be four (4) Directors who are Audit & Supervisory Committee Members (all of whom are Outside Directors).

This proposal will be effective on the condition that the amendments to the Articles of Incorporation in Proposal 1 (Partial Amendments to the Articles of Incorporation) take effect.

Proposal 6: Decision on Remuneration in the Form of Restricted Stocks for Directors (Excluding Outside Directors and Directors Who Are Audit & Supervisory Committee Members)

At the 19th Annual General Meeting of Shareholders held on September 24, 2020, a resolution was passed to establish a system enabling Directors (excluding Directors who are Outside Directors) to earn remuneration of up to ¥100 million per year in the form of restricted stock (hereinafter, the “Stock Option System”). The aims of this system are to further promote shared value with shareholders, and to provide the Company's Directors (excluding Directors who are Outside Directors) with incentives to continuously enhance corporate value. It is proposed that, once the Company has adopted a company-with-committees system, the current maximum inside Director remuneration be abolished under the Stock Option System. The proposal is for Directors (excluding Directors who are either Outside Directors or Audit & Supervisory Committee Members; hereinafter, “Eligible Directors”) to be able to earn compensation in the form of restricted stock that is considered separate from the basic remuneration framework.

Based on this proposal, the remuneration to be paid to Eligible Directors in the form of restricted stock shall be considered as monetary claims (hereinafter, “Monetary Remuneration Claims”). The total amount paid to an Eligible Director shall be no more than ¥100 million per year, which is considered to be appropriate for the above-stated purpose. The specific payment timings and distribution amounts for each Eligible Director will be determined separately by the Board of Directors. However, Outside Directors and Directors who are Audit and Supervisory Committee Members shall not be paid remuneration in the form of restricted stock.

The assignment of restricted stock to each Eligible Director will be determined by comprehensively taking into consideration various matters such as the individual’s contribution to the Company’s business performance, and the allocation must be appropriate.

There are currently seven (7) Directors (excluding Directors who are Outside Directors). If Proposal 1 (Partial Amendments to the Articles of Incorporation) and Proposal 2 (Election of Three (3) Directors (excluding Directors who are Audit & Supervisory Committee Members)) are approved as originally proposed, there will be three (3) Eligible Directors.

Moreover, under this proposal, all Monetary Remuneration Claims provided to Eligible Directors based on a resolution of the Company’s Board of Directors shall be considered payment in kind, and will be executed through the issuing or disposal of the Company’s common stock. The total number of common shares of the Company to be issued or disposed of for this purpose will be no more than 10,000 shares per year. However, the total number of shares concerned may be adjusted within a reasonable range if any of the following occur after the approval of this proposal: a stock split for the Company’s common shares (including a gratis allotment of the Company’s common stock), a share consolidation, or other event that requires adjustment of the total number of the Company’s common shares to be issued or disposed of for restricted stock.

This proposal will be effective on the condition that the amendments to the Articles of Incorporation in Proposal 1 (Partial Amendments to the Articles of Incorporation) take effect.

The share value used for remuneration calculation will be based on the Tokyo Stock Exchange closing price for the Company’s common stock on the business day prior to the applicable Board of Directors resolution. (If the stock was not trading on that day, then the closing price on the closest prior trading day will be used.) The amount will be determined by the Board of Directors so that it is not particularly advantageous to the Eligible Directors receiving the common stock concerned. In addition, when issuing or disposing of the Company’s common stock for this purpose, the Company and each Eligible Directors shall enter into a restricted stock allotment agreement (hereinafter, “Stock Allotment Agreement”) that includes the following.

- (1) Transfer Restriction Period

Eligible Directors may not create a security interest on, perform a transfer or otherwise dispose of shares (hereinafter, "Transfer Restriction") with respect to the Company common shares allotted to them under the Stock Allotment Agreement (hereinafter, "Allotted Shares") for a period of 3 to 30 years from the date of allotment as predetermined by the Board of Directors (hereinafter, "Transfer Restriction Period").

(2) Handling of Director Resignation

If an Eligible Director resigns from their position predetermined by the Board of Directors of the Company before the expiration of the Transfer Restriction Period, the Company will automatically acquire the Allotted Shares free of charge. This will not apply, however, in the case of expiration of the Eligible Director's term of office, their death, or other justifiable reason for the resignation.

(3) Removal of Transfer Restrictions

Notwithstanding the provisions of (1) above, provided that the Eligible Director has remained in the position specified in (2) above continuously during the Transfer Restriction Period, the Company will lift the Transfer Restrictions for all of the Allotted Shares upon the expiration of the Transfer Restriction Period concerned. However, if the Eligible Director retires from the position stipulated in (2) above before the expiration of the Transfer Restriction Period due to the expiration of the Eligible Director's term of office, their death, or other justifiable reason stipulated in (2) above, reasonable arrangements shall be made as necessary concerning the timing of Transfer Restriction lifting for the Allotted Shares, and the number of Allotted Shares concerned. In addition, upon the lifting of Transfer Restrictions in accordance with the above provisions, the Company will automatically acquire free of charge any Allotted Shares for which Transfer Restrictions have not been lifted.

(4) Handling in Case of Reorganization, etc.

Notwithstanding the provisions of (1) above, in the case of a reorganization, etc., the Company shall lift Transfer Restrictions prior to the effective date of the reorganization. This shall apply when during a Transfer Restriction Period, the Company's General Meeting of Shareholders approves a merger agreement in which the Company becomes a defunct company, or approves a share exchange agreement in which the Company becomes a wholly owned subsidiary, or approves a share transfer plan or other reorganization, etc. (However, if the reorganization, etc. does not require the approval of the Company's General Meeting of Shareholders, then the same shall apply in cases of approval by the Company's Board of Directors for reorganization, etc. as indicated above.) In such cases, by resolution of the Board of Directors, prior to the effective date of the relevant reorganization, etc., the Company shall lift the Transfer Restrictions on a number of Allotted Shares reasonably determined based on the period from the start date of the Transfer Restriction Period to the date of approval of the reorganization, etc. In addition, in the case of a lifting of Transfer Restrictions in accordance with the above provisions, the Company will automatically acquire free of charge any Allotted Shares for which Transfer Restrictions have not been lifted.

(5) Other Matters

Other matters concerning the Stock Allotment Agreement shall be determined by the Board of Directors of the Company.